



**CONSENT TO MORTGAGE AGREEMENT
FOR
LAND LEASED FROM THE STATE OF IDAHO
Cottage Site Lease No. _____**

The undersigned lessee(s) of the listed lease(s) of state lands contained in Schedule A, hereby requests the State Land Director to consent to a mortgage of the lease(s) as listed to:

_____, hereinafter called the LENDER.

It is understood and agreed that the lessee's lease(s) listed in Schedule A and any subsequent renewals will secure a loan made or guaranteed by the LENDER for the lessee in the amount of

\$_____.

The consent to mortgage hereinabove granted is subject to the following conditions, noncompliance with which entirely voids the consent given herein:

1. The LENDER cannot acquire any interest greater than the lessee has under the listed lease(s) and said LENDER'S interest is specifically subject to the interests of the State of Idaho.
2. The mortgage shall have the same force or effect on any lands subject to the listed lease after such lease(s) has expired and is subsequently renewed.
3. The lessee shall not further mortgage nor assign the listed lease(s) including any renewals thereof without securing prior permission from the State Land Director, and if such permission is granted, the State Land Director will promptly notify the LENDER.
4. The lessee may, at no expense to the State of Idaho, record the described lease(s), mortgage or any assignment thereof in the office of the County Recorder in which such mortgage property is situated. Satisfaction or discharge of said mortgage may be similarly recorded.
5. Said mortgage agreement shall be executed upon the attached form supplied by the office of the State Land Director, or in a form meeting the approval of the State Land Director.
6. If the LENDER or any successor in interest to the LENDER succeeds the lease now held by the lessee, then the LENDER shall expressly assume all obligations as lessee under said lease, provided however that the lessee is not in any case relieved of his obligation to pay rent.
7. The State Land Director will promptly notify the LENDER'S correspondent (listed below) of any material breach of the lease agreements by the BORROWER or of any pending cancellations.

LENDER'S CORRESPONDENT:

Name Street

City State Zip Phone

INSTRUCTIONS

A FIFTY DOLLAR (\$50.00) recording fee is required. Please submit two (2) originals. IDL will retain an original and return an original to you. Consent to Mortgage Agreements must be signed, notarized and returned to the office of the Director, Department of Lands, PO Box 83720, Boise, ID 83720-0050.

Date Requested: _____
LESSEE

STATE OF _____)
: ss
County of _____)
LESSEE

On this _____ day of _____ in the year _____, before me a Notary Public, in and for the State of _____ personally appeared _____ and acknowledged to me that _____ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public Residence Commission Expires

Approved: _____ Date: _____
Idaho Department of Lands

STATE OF IDAHO)
: ss
County of Ada)

On this _____ day of _____ in the year _____, before me a Notary Public, in and for the State of Idaho personally appeared _____ known to me to be a Representative of the State of Idaho, Department of Lands, and acknowledged to me that _____ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public Residence Commission Expires

SCHEDULE A

<u>LEASE NUMBER</u>	<u>DESCRIPTION OF STATE LAND</u>	<u>EXPIRATION</u>
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**MORTGAGE AGREEMENT
FOR
LAND LEASED FROM THE STATE OF IDAHO**

This indenture, made this _____ day of _____ in the year _____ between
_____ of _____,

hereinafter described as BORROWER;

and _____,

hereinafter described as LENDER; **and**

WHEREAS, the BORROWER is the lessee of certain lands from the State of Idaho, described in Schedule A;

AND

WHEREAS, the LENDER is lending the sum of \$_____ to the BORROWER.

NOW WITNESSETH, that in consideration of and for said loan, said BORROWER does hereby assign and mortgage to said LENDER any and all interest in the leases(s) which said BORROWER now has with the State of Idaho as described in Schedule A.

This agreement is intended as a mortgage to secure payment of the above described loan and these presents shall be void if such payment is made; but in case any part thereof, or if interest not be paid, then from and henceforth it shall be optional with the LENDER, his heirs, executor, administrators or assigns to proceed with the rights and remedies available to LENDER on default of BORROWER.

PROVIDED, notwithstanding any other provision:

That any sale or other disposition of the lease herein mortgaged shall be made expressly subject to any and all interests of the State of Idaho, including but not limited to the right of the State to cancel such lease(s) as provided in said lease agreement (s), and said LENDER hereby acquires no greater interest than the BORROWER has under said lease(s) and subsequent renewals.

That the BORROWER hereby agrees and covenants that it will not further mortgage nor assign its respective interest in the described lands without first obtaining permission to do so from the State Land Director.

That in the event the LENDER or any successor in interest to the LENDER succeeds to the entire lease(s) now held by the lessee, then the LENDER hereby agrees and covenants to assume all obligations of the lessee under said lease(s).

That the parties to this agreement may cause this instrument to be recorded and any satisfaction or discharge of this agreement at no expense to the State of Idaho.

LENDER

LENDER

STATE OF _____)
County of _____) : ss

On this _____ day of _____ in the year _____, before me, a Notary Public, in and for the State of _____, personally appeared _____ (Mortgagee) and acknowledged to me that _____ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
Residence: _____
Commission Expires: _____

BORROWER

BORROWER

STATE OF _____)
County of _____) : ss

On this _____ day of _____ in the year _____, before me, a Notary Public, in and for the State of _____, personally appeared _____ (Mortgagor) and acknowledged to me that _____ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public
Residence: _____
Commission Expires: _____

**STATE OF IDAHO
DEPARTMENT OF LANDS**

GUIDELINES TO MORTGAGE A STATE LAND LEASE

Idaho State leases are issued to individuals and private entities for a term of up to ten (10) years. Most lease terms begin January 1 and end on December 31 of the expiring lease year. All applications to lease or renew a lease must be filed in the office of the Director of the Idaho Department of Lands before the 30th day of April preceding the date of such expiration. All applications filed within that time frame are considered as having been filed simultaneously.

A Lessee's interest under an Idaho State Lease can be assigned as collateral for a loan when approved by the State of Idaho. A *Consent to Mortgage Agreement* form and a *Mortgage Agreement* form can be obtained from the Idaho Department of Lands, PO Box 83720, Boise, ID 83720-0050, (208) 334-0200.

INSTRUCTIONS:

- **Two originals of the *Consent to Mortgage Agreement* form, one copy of the *Mortgage Agreement* form, and a Fifty Dollar (\$50.00) filing fee are required to file a mortgage with the Idaho Department of Lands.**
- The *Consent to Mortgage Agreement* and *Mortgage Agreement* forms must be filled out completely listing lease number(s), complete land description, and expiration date of each lease. The name and mailing address of the mortgage company's correspondent must be shown on the *Consent to Mortgage Agreement* form.
- The *Consent to Mortgage Agreement* expires when the lease expires. If a mortgage agreement is to continue, a new agreement must be executed at the expiration of the lease.
- If a lease is under mortgage to another company, a release from that company must be received before said lease may be included in a new mortgage agreement.
- The Department of Lands notifies the mortgage company of any defaults in a lease or any requests for an assignment. The Department of Lands is not responsible for the Lessee's keeping lease payments current or otherwise defaulting.
- The *Consent to Mortgage Agreement* form must be approved and signed by the Director or his agent. The *Mortgage Agreement* is then recorded in Department of Lands records.
- One original of the *Consent to Mortgage Agreement* form will be returned to the mortgage company.

If you have any questions regarding this procedure, please contact your local Idaho Department of Lands office or the Idaho Department of Lands, Bureau of Surface and Mineral Resources, PO Box 83720, Boise, ID 83720-0050, (208) 334-0200.